



# CENTRAL VALLEY BUILDERS SUPPLY

*Est. 1955*

Rick Bennion, Regulations Coordinator  
State Board of Equalization  
PO Box 942879  
Sacramento, CA 94279-0080

The Honorable Betty T. Yee  
State Board of Equalization  
PO Box 942879  
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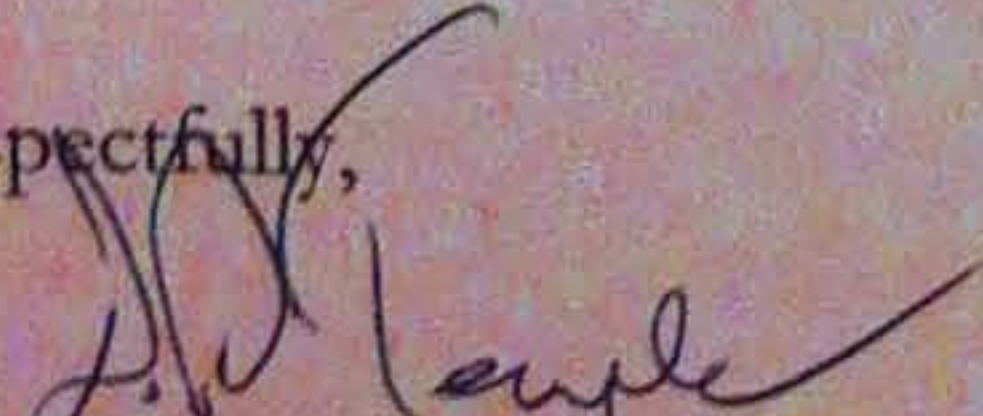
Dear Coordinator Bennion,

The West Coast Lumber and Building Material Association has done a fine job of analyzing the true costs of implementing the "Lumber Assessment." We believe the \$5,500 recommendation per retail location to set up and implement this "Lumber Assessment" is reasonable.

We appreciate the complexities facing you in your decision to reimburse the "Lumber Assessment" costs. As we understand it, the criteria used for the Board's report in 2006 are based on 2003 data of tax collection at cash registers. The report does not take into consideration the specialized lumberyard point of sale system used to track and monitor such items. Nor does it take into consideration the matter of individual lumberyards having to select, track, and monitor individual products.

Central Valley Builders Supply is a family-owned lumberyard founded in St. Helena in 1955. We have approximately 37,000 SKUs between four retail facilities, a distribution yard, and an export division. The current \$250 reimbursement for start-up costs and the additional \$485 reimbursement do not accurately offset all the ongoing costs associated with identifying, tracking, and managing all of these specific lumber codes on a daily basis. Fifty-five hundred dollars reflects the actual cost of managing the "Lumber Assessment" more realistically.

Respectfully,

  
David Templeton  
CFO